

**ECONOMIC DEVELOPMENT BOARD  
July 21, 2015**

**EDB20150721-1  
UNAPPROVED**

A special meeting of the Economic Development Board of the City of Cedarburg, Wisconsin, was held on Tuesday, July 21, 2015 at 7:00 p.m. at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers.

The meeting was called to order by Chairperson Peter Welch at 7:00 p.m.

Roll Call: Present - Council Member Mike O'Keefe, Jim Pape, Peter Welch, Eric Stelter, Greg Zimmerschied (Alt), Lynn Knutson

Excused - DJ Burns, Mike Ruzicka, Dave Krier (Alt)

Also Present - Economic Development Coordinator Mary Sheffield, Mayor Kip Kinzel, Denise Seyfer – News Graphic

**STATEMENT OF PUBLIC NOTICE**

Chairperson Welch acknowledged that the agenda for this meeting was posted and distributed in compliance with the Wisconsin Open Meetings Law.

**COMMENTS & SUGGESTIONS FROM CITIZENS** - None

**UNFINISHED BUSINESS**

**Review Draft of Community Development Authority Presentation; and Action Thereon**

Eric Stelter presented a draft outline for the CDA presentation to be given at the July 27 Common Council meeting. (See attached)

Motion made by Greg Zimmerschied to accept the draft as presented. Lynn Knutson seconded the motion. Motion carried without a negative vote with DJ Burns, Mike Ruzicka and Dave Krier (Alt) excused.

**ADJOURNMENT**

Motion was made by Eric Stelter, seconded by Council Member O'Keefe, to adjourn the meeting at 7:35 p.m. Motion carried without a negative vote with DJ Burns, Mike Ruzicka and Dave Krier (Alt) excused.

Mary Sheffield  
Secretary

adk

## **Introduction**

### **1. What is a CDA**

*[slide #1: intro slide with image and the text included below]*

A community development authority has the intended purpose of carrying out blight elimination, slum clearance, urban renewal programs and projects, and housing projects utilizing an appointed board of seven (including two common council members).

### **2. Structure**

*[slide #2: top-down org chart showing CDA as separate entity from City but relationship to common council]*

The CDA Board is comprised seven total members including two council members and five appointed members that ideally should work in fields that would benefit the needs of the CDA. These fields may include: real estate, banking, finance, public utilities, law and/or civic planning but could also include other skills depending on the needs of the community. For example, a professional involved in environmental remediation may be needed if the community has environmental concerns with any of the properties being evaluated.

### **3. CDA Tool Belt**

*[slide #3: slide that provides brief bullet point list of the following capabilities with graphic]* once appointed the CDA board will have a suite of tools at their disposal that can be used to negotiate with property owners, developers and support city staff. Some of these tools include:

- a. The ability enter into negotiations with owners and/or developers and act as a relationship focused advocate between the private party and the city with the end goal of stimulating the redevelopment of properties that are underutilized.
- b. There are grants and loans available to development authorities from the EPA and other state and federal agencies. The CDA could evaluate the available programs as they relate to our city or a particular project needs and proceed as determined appropriate by the common council.
- c. Aid in the issuance tax-free bond and possible extension to developers.
- d. Limit the potential liability of contamination and potential unknown liens on a property that is earmarked for redevelopment.
- e. Provide private parties that would prefer that information not be disclosed in early negotiations a certain level of confidentiality by utilizing WI Section 19.85, specifically "(1)(e) deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session."
- f. Purchase of property may provide favorable tax treatment to a seller.

### **4. Effectiveness - Local Examples**

*[slide #6: State of WI Map with communities highlighted that currently utilize CDA]*

- a. 81 communities have formed a Community Development Authority (*reference Appendix A*)
- b. 5 out of 8 municipalities in Ozaukee co utilize CDA (slide will highlight these areas)

c. Examples of effective CDA projects in our area

*[slide #7: Pictures of the following projects]*

- i. Saukville CDA - Development of Saukville's Industrial Park and the Dekora Woods Business Park (acquisition, redevelopment and subsidized re-sale of acreage at \$15k/acre (below market rate)
- ii. Grafton CDA - Purchase of Grafton Hotel (\$310k), Resale of Hotel to development group for (\$425k), extended \$360k development incentive in turn for a guaranteed \$1.6 million property value by Jan 1, 2011. Also extended \$200k 8-year loan through extension of tax-free bonds.
- iii. Brown Deer CDA - Redevelopment of Lowes site on Brown Deer Rd and agreement to loan Walmart \$2.4 million for redevelopment of site on a guaranteed lift of \$11 million.

- d. Topic Summary – Talk about the evolution of the Economic Development Committee and their efforts, how we've spent the last 5+ years evaluating opportunities and creating a general set of recommendations which include a focus on the sites notated in the Cedarburg Smart Growth Plan (*refer to appendix C for list*). Lead in to next topic: Cedarburg has a need to promote the revitalization of some underutilized sites and a need for additional revenue.

**5. CDA Economic Impact and Opportunities**

*[slide #4: slide that brings attention to the current \$15 million need for capital improvement projects]*

The City of Cedarburg has an unfunded need for approximately 15 million dollars of capital improvements over the next 2-3 years. A CDA could assist in stimulating potential developments that could provide some much needed tax revenue.

*[slide #5: slide – bulleted list that provides a brief of the following]*

- a. There are currently four "smart-growth" (*refer to appendix C for list*) sites that could provide an additional 25+ million in lift to our tax base within the next 3-5 years with the help of a CDA.
- b. Our recently dissolved TIF district #2 could be revitalized with the recent consideration and possible approval by the common council of a lift station to support this area. The CDA would be proactive in stimulating development in this area to recoup the Cities infrastructure costs, find complementary residential, commercial or business projects that will provide jobs and increase property tax revenues.
- c. The EPA's Community Development Block Grant (CDBG) program is available to development authorities to aid in the redevelopment of blighted areas. Using programs like this may reduce some strain on the city's budget.
- d. The ability to maintain a private-public relationships that could include producing alternate revenue sources
- e. Utilizing the EPA's Brownfield Cleanup grant program the CDA could attempt kick-start some of the stalled efforts to cleanup known contaminated sites.
- f. Instead of a single part time economic development coordinator working to promote Cedarburg, we would have an additional 7 advocates (CDA board) touting the benefits of our community.

## **Establishing a CDA in Cedarburg**

*[slide #6: slide – Illustrate portion of the code that shows CC has final say]*

6. One of the primary concerns is the power of this entity. The **Common Council has Final say in any action**, re: WI Statute 66.1335 "Authorization. A city may, by a two-thirds vote of the members of the city council present at the meeting, adopt an ordinance or resolution creating a housing and community development authority, which shall be known as the "Community Development Authority" of the city. It is a separate body politic for the purpose of carrying out blight elimination, slum clearance, urban renewal programs and projects and housing projects. The ordinance or resolution creating a housing and community development authority may also authorize the authority to act as the agent of the city in planning and **carrying out community development programs and activities approved by the mayor and common council** under the federal housing and community development act of 1974 and as agent to perform all acts, except the development of the general plan of the city, which may be otherwise performed by the planning commission under s. 66.1105, 66.1301 to 66.1329, 66.1331 or 66.1337. A certified copy of the ordinance or resolution shall be transmitted to the mayor. The ordinance or resolution shall also do all of the following:...."

### 7. Steps to Create a Community Development Authority

*[slide #7: slide – show bulleted list below]*

- a. Seek approval to form CDA from Common Council with Budget of (\$500-\$1000)
  - b. Econ. Development group to draft formation document and bylaws (*reference Appendix B: League of Wisconsin Municipalities – Sample CDA Draft Formation Document*)
  - c. City Attorney review documentation and finalize
  - d. File Organization Documents with State
  - e. Mayor to appoint two council members to CDA board.
  - f. Econ. Development group would work with two council member CDA board to develop a list of candidates that would be interested in serving and and make recommendation for appointment.
  - g. Appointments would be formalized and initial meeting date will be determined
8. Recommendation, Any Questions?

*[slide #8: "Thank you for your time. The Economic Development Group would like to formally recommend to the Common Council that the City of Cedarburg form a Community Development Authority and would like to extend its assistance in doing so."*

*[Appendix A: Communities in Wisconsin with a Community Development Authority]*

Ashwaubenon	Madison	Stevens Point
Baraboo	Manitowoc	Sturtevant
Beloit	Marshall	Sun Prairie
Brodhead	Marshfield	Susexx
Brookfield	Menasha	Tomahawk
Brown Deer	Middleton	Town of Dekora
Burlington	Milton	Two Rivers
Columbus	Milwaukee	Verona
Cudahy	Monona	Village of Arena
Elkart Lake	Muskego	Village of Bayside
Elkorn	Neenah	Village of Bristol
Fitchburg	New Berlin	Village of Brokaw
Fond du lac	New Richmond	Village of Deforest
Franklin	Oak Creek	Village of Fontana
Glendale	Oconomowoc	Village of Sherwood
Grafton	Owen	Village of Weston
Greenbay	Pewaukee	Walworth
Greendale	Pleasant Prairie	Waterford
Greenfield	Port Washington	Waupaca
Hartford	Portage	Waupun
Hillsboro	Reedsburg	Wausau
Hobart	Richfield	Wauwatosa
Horicon	Ripon	West Allis
Howard	Saukville	Whitefish Bay
Janesville	Sheyboygan	Whitewater
Jefferson	Shorewood	Windsor
Kenosha	South Milwaukee	

*[Appendix B: League of Wisconsin Municipalities – Sample CDA Draft Formation Document]*

136 - Creating a Community Development Authority - Edgar  
Ordinance #136  
Commissions  
Creating a Community Development Authority - Village of Edgar

Village of Edgar

ORDINANCE 1999-3

AN ORDINANCE CREATING A COMMUNITY DEVELOPMENT AUTHORITY

The Village Board of the Village of Edgar, Marathon County, Wisconsin do ordain as follows:

SECTION I. SECTION CREATED

SECTION 2-4-7 of the Village of Edgar Code of Ordinances is hereby created to provide as follows:

SEC. 2-4-7 COMMUNITY DEVELOPMENT AUTHORITY

(a) Creation. Pursuant to sections 66.4325 and 66.436, Wisconsin Statutes there is hereby created a Community Development Authority to be known as the "Community Development Authority of the Village of Edgar, Wisconsin," authorized to transact business and exercise any and all powers granted to a CDA under the Community Development Authority Law as amended from time to time for the purpose of carrying out blight elimination, slum clearance, urban renewal programs and projects and housing projects.

(b) Composition and Procedures.

1. The Community Development Authority shall consist of seven resident persons having sufficient ability and experience in the fields of urban renewal, community development and housing. These persons shall be known as Commissioners of the Community Development Authority.

2. Appointment. The Commissioners shall be appointed by the Village President with the confirmation of the Village Board. Two of the commissioners shall be members of the Village Board and shall serve during their term of office as board members. The first appointments of the five nonboard members shall be for the following terms: Two for one year and one each for the terms of two, three and four years. Thereafter, the terms of nonboard members shall be four years and until their successors are appointed and qualified. Vacancies shall be filled for the unexpired term as provided for in this subsection.

3. Chairperson. The Community Development Authority shall annually elect a chairperson and a vice-chairperson from among the commissioners. The Village Planning Commission shall assist in performing the duties required by the Community Development Authority.

4. Compensation. The commissioners shall receive no compensation for their services, but shall be entitled to reimbursement for their actual necessary expenses, including local travel expense included in the discharge of their duties.

5. Meetings, Quorum and Bylaws. All meetings of the Community Development Authority shall be held in compliance with the provisions of the Open Meeting Laws of the State of Wisconsin. Four commissioners shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Community Development Authority upon the affirmative vote of a majority of the commissioners present at any meeting. The community Development Authority may adopt and from time to time amend or repeal such bylaws or other rules or regulations not inconsistent with the applicable laws of this State and of this Ordinance, as it deems necessary in the performance and function of its duties.

## SECTION II. SEVERABILITY

If any provision of this ordinance is invalid or unconstitutional or if the application of this ordinance to any person or circumstance is invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions or applications of this ordinance which can be given effect without the invalid or unconstitutional provisions or applications.

## SECTION III. EFFECTIVE DATE.

This ordinance shall take effect following passage as provided by law.

*[Appendix C: Resolution 2014-14, Cedarburg Land Use Plan, Smart Growth Sites]*

(attach a copy of the resolution)

SGA 19

RESOLUTION NO. 2014-14

**A Resolution Amending the City of Cedarburg Land Use Plan for certain properties near the intersection of Pioneer Road and Cardinal Avenue**

WHEREAS, the City of Cedarburg, pursuant to the provisions of Section 62.23 of the Wisconsin Statutes, has created a City Plan Commission; and

WHEREAS, the City Plan Commission has prepared a plan for the physical development of the City of Cedarburg and environs, said plan known as *The City of Cedarburg Smart Growth Comprehensive Plan -2025* and

WHEREAS, the City Plan Commission on the 7<sup>th</sup> day of January 2008 recommended the aforementioned Comprehensive Plan and on the 25<sup>th</sup> day of February 2008 the Common Council adopted the plan; and

WHEREAS, the adopted Land Use Plan recommends Industrial and Manufacturing, Office and Service, or Utility Facilities Uses as show on the Land Use Map for specified properties located at:

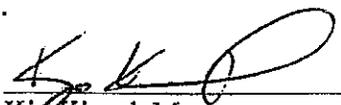
- N144 W6220 Pioneer Road
- N144 W6166 Pioneer Road
- Vacant site directly east of N144 W6166 Pioneer Road
- N144 W6050 Pioneer Road (Formart Container) NW corner Pioneer Road and Cardinal Avenue
- W60 N128 Cardinal Avenue (NE corner Pioneer Road and Cardinal Avenue)
- W144 W5888 (Former Sewage Receiving Facility)
- N144 W5800 Pioneer Road (Front part of La Rosa Landscaping)
- N143 W6049 Pioneer Road (Front portion of the Birchwood Building); and

WHEREAS, the Economic Development Board has recommended that due to its high visibility and substantial traffic counts, the area should be included in the list of "Smart Growth Areas" in the Comprehensive Land Use Plan – 2025 to target it for customer service and/or retail uses as well;

WHEREAS, the Plan Commission reviewed the requested amendment and the Common Council held a public hearing on September 29, 2014 to consider amending the Plan and found such change to be appropriate and compatible with the existing and future nearby uses.

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 66.1001(4)(b) of the Wisconsin Statutes, the City of Cedarburg Common Council on the 29<sup>th</sup> day of September 2014, hereby amends *The City of Cedarburg Smart Growth Comprehensive Land Use Plan -2025*, as follows: said area near the intersection of Cardinal Avenue and Pioneer Road as identified above be added to the list of "Smart Growth Areas" in the Comprehensive Land Use Plan – 2025.

Passed and adopted this 29<sup>th</sup> day of September 2014.




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Kip Kinzel, Mayor

**Table 8.5 Land Area Needed Based On Population, 2006 - 2025**

Land Use Category	2006 Acreage	2006 Population	Acreage per Resident Ratio	2025 Population	2025 Acreage	Additional Acres Needed by 2025
Single-Family Residential	850	11,425	0.074	15,600	1,161	311
Duplex Residential (Two-Family)	73	11,425	0.006	15,600	100	27
Multi-Family (3+ Units)	82	11,425	0.007	15,600	112	30
Commercial/Office	88	11,425	0.008	15,600	120	32
Industrial	140	11,425	0.012	15,600	191	51
Institutional/Governmental	302	11,425	0.026	15,600	412	110
Parks	141	11,425	0.012	15,600	192	51
Transportation	361	11,425	0.032	15,600	493	132
Environmental	191	11,425	-	15,600	191	0
Open Lands	473	11,425	-	15,600	0	-473
Total	2,701 Ac.				2,972 Ac.	271 Ac.

Land Use Plan

The City of Cedarburg's Land Use Plan (Map 8-3) was developed to meet the established goals and objectives as set forth herein and in previous sections of this Comprehensive Plan. It is designed to serve a maximum residential population of about 15,600 persons by the year 2025, an increase of about 4,400 persons or an annual growth rate of 1.35% per year. The Plan shows both existing development and where future development should occur.

Smart Growth Areas (SGA) (See Map 8-3)

The Plan also identifies "Smart Growth Areas" (SGA), which are infill/redevelopment areas where public infrastructure and transportation facilities already exists. Careful consideration should be given to these sites as they represent opportunities for new development that will have minimal impact on existing public facilities and utilities. Such sites are referred to as Smart Growth Areas because they are cost-effectively developable using existing infrastructure. These

areas are also considered as redevelopment or infill areas depending on each areas unique attributes.

- SGA-1 The Mercury Marine/Norstar site located south of Cleveland Street, between Madison and St. John Avenues. The Mercury Marine site is classified on the Land Use Map as Governmental and Institutional and is intended to be the site of the future library. The Norstar site is currently classified as High-Medium Density Residential (5.2 to 10.8 units/acre) and this classification will be retained as it promotes appropriate residential development within easy walking distance to downtown Cedarburg.
- SGA-2 The Weil Pump site located between Western Avenue and Jackson Street. This site is currently classified as Industrial/Manufacturing development and supports an old industrial building that is only being partially used. Redevelopment of this site should include the extension of Hillcrest Avenue and/or Hanover Avenue north to Western Road to provide an alternate route to and from the downtown area. This site is classified on the proposed Land Use Map as Single-Family Medium-Density (3.67 to 5.2 units/acre) and Medium-High Density Urban Residential development (5.2 to 10.8 units/acre). These densities will provide a good customer base within easy walking distance to downtown shops.
- SGA-3 The Lakeside Development site at the southeast and southwest corner of Jackson Street and Washington Avenue. These corner sites are classified as and support neighborhood business, but are surrounded by single-family residential development. Since this area is within walking distance to both the downtown and the south Washington Avenue businesses, it would be appropriately classified as Mixed-Use Office and/or High-Medium Density Residential Development.
- SGA-4 The Former Amcast site on both sides of Hamilton Road at the Chicago, Milwaukee, St. Paul, Pacific Railroad. These sites are appropriately classified as Medium Density Residential for the site along the north side of Hamilton Road and Mixed Use Infill for the site on the south side.
- SGA-5 The Ozaukee Fairgrounds. If the Fair Grounds are ever relocated from this site, residential land uses should be considered at densities consistent with the area.

- SGA-6 Vacant land behind W61 N378 -392 Washington Avenue. This vacant site is appropriately classified as Medium-Density Single-Family Residential Development.
- SGA-7 1.1-acre Vacant land behind W61 N449 Washington Avenue. This vacant site is classified on the Land Use Map as Medium-Density Residential Development but is zoned RM-2 (Multi-Family). Since the site is sandwiched between apartment buildings, the site should be reclassified to High-Density Multi-Family to reflect adjacent uses. The Washington Avenue access issue must first be resolved. (See Plan Commission property file.)
- SGA-8 Lands between Washington Avenue and Hanover Avenue from Western Road to Cleveland. While this area currently supports a scattering of retail and service establishments, the area seems underutilized with large poorly-designed parking lots, unsightly rear yard storage and vast areas of open spaces. With proper design, the intent would be to create a vibrant pedestrian-friendly extension of the Historic Downtown Business District with lighted walkways, landscaped parking, improved storage areas, rear-building facade improvements and where new commercial development could be promoted.
- SGA-9 The Vacant Land located between Wauwatosa Road and Poplar Avenue, northwest of Wauwatosa Road/Sherman Road Intersection. This area is appropriately classified as Medium-Density Detached Urban Development.
- SGA-10 The Vacant Land behind properties located along Sunnyside Lane, Hilbert Avenue, Portland Road and Highland Drive. This site is appropriately classified as Medium-Density Detached Urban Residential Development.
- SGA-11 St. Francis Borgia School site at N44 W6055 Hamilton Avenue. This site is currently classified as Governmental and Institutional Development. Since the parish is proceeding with plans to construct a new elementary school adjacent to the Divine Word site north of 5 Corners, this area should be considered for High-Medium Density Residential.
- SGA-12 Northwest Corner of Western Avenue and Wauwatosa Road. Neighborhood land use plan approval required prior to annexation.

- SGA-13 Area north of the Seidler Pond Subdivision along the west side of Wauwatosa Road. Neighborhood land use plan that can be adequately served by public utilities must be approved prior to annexation.
- SGA-14 Area south of Cedar Point Avenue east of Wauwatosa Road. Neighborhood land use plan that can be adequately served by public utilities must be approved prior to annexation.
- SGA-15 Grob Field area along the north side of Highway 60 east of the 5 Corners intersection. Neighborhood land use plan that can be adequately served by public utilities must be approved prior to annexation.
- SGA-16 Area north of 1375 Covered Bridge Road (St. Francis Borgia Church). Neighborhood land use plan that can be adequately served by public utilities must be approved prior to annexation.
- SGA-17 Northwest corner of the 5 Corners intersection. Neighborhood land use plan that can be adequately served by public utilities must be approved prior to annexation.
- SGA-18 TID #2. This area has been master-planned to meet the requirements of a mixed-use TID and will be monitored to maintain consistency with the approved plan.

#### Residential Land Use

Areas designated for residential use on the Land Use Map total approximately 1,200 acres. The residential lands includes high-density areas (10.9 units/acre to 16.1 units/acre), medium-high density areas (5.2 units/acre to 10.8 units/acre), mixed single-family/two-family older neighborhoods (5.2 units/acre to 10.4 units/acre), medium-density detached (8,400 square foot to 12,000 square foot lot sizes), medium-low density detached (12,000 square foot to 20,000 square foot lot sizes), and low-density detached (20,000 square foot to 40,000 square foot lot sizes). The Plan recommends that the higher density residential areas remain relatively constant. However, opportunities for higher-density projects are provided for development through infill or redevelopment projects. The Plan also includes a residential category with a density of three units per acre for new development along the west side of County Trunk Highway I. This category is offered as an alternative to a conservation subdivision in certain areas to comply with the requirements of a Mixed-Use TID. It is anticipated that the City will continue to grow through annexation to reach the projected acreage needed for a population of 15,600 by 2025.